

Message Text

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14

ACTION XMB-04

INFO OCT-01 EA-09 ISO-00 AID-05 CIAE-00 EB-07 FRB-01

INR-07 NSAE-00 USIA-15 TRSE-00 OPIC-06 SP-02 CIEP-02

OMB-01 (ISO) W

----- 022873

R 060815Z JUL 76

FM AMEMBASSY JAKARTA

TO SECSTATE WASHDC 5455

INFO USDOC WASHDC

AMEMBASSY SINGAPORE

UNCLAS JAKARTA 8805

PASS EXIM

E.O. 11652: NA

TAGS: EFIN, BEXP, ID

SUBJ: EXIM LOAN APPLICATION: GOI PURCHASE OF G.E. LOCOMOTIVES

REF: (A) JAKARTA 0533 (B) STATE 055937

1 EMBASSY HAS RECEIVED COPY OF LETTER TO EXIMBANK DATED
JUNE 30, 1976 GOI MINISTRY OF FINANCE FORMALLY APPLYING FOR
EXIM LOAN TO COVER GENERALELECTRIC SALE OF 21 LOCOMOTIVES
TO GOI. TEST OF LETTER AND ITS ATTACHED INFORMATION SHEET READS
AS FOLLOWS:

" EXPORT-IMPORT BANK OF THE UNITED STATES
811 VERMONT AVENUE, NW.
WASHINGTON, DC. 20571
ATTENTION: MR. DAVID O. BEIM, EXECUTIVE VICE PRESIDENT
RE: APPLICATION FOR EXIMBANK FINANCING OF 21 DIESEL
ELECTRIC LOCOMOTIVES

DEAR SIR:

WITH REGARD TO THE ABOVE MENTIONED SUBJECT, WE HAVE
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THE HONOR TO SUBMIT TO YOU A LOAN REQUEST FOR FINANCING

THE PURCHASE OF 21 (TWENTY ONE) DIESEL ELECTRIC BCOMOTIVES PROJECT AMOUNTING TO US\$ 11,288,592. YOU WILL THEREFORE PLEASE FIND ATTACHED THE BASIC INFORMATION. THE CONTRACT BETWEEN THE DIRECTORATE GENERAL OF LAND TRANSPORT AND WATERWAYS AND GENERAL ELECTRIC COMPANY CONCERNING THE ABOVE PROJECT NOW IS STILL BEING NEGOTIATED AND WILL BE SUBMITTED TO YOU AFTER IT HAS BEEN SIGNED.

SINCE THE GOVERNMENT HAS PUT THE PROJECT IN A HIGH PRIORITY LIST, WE SHOULD BE GRATEFUL IF YOU WOULD CONVEY THIS APPLICATION TO THE AUTHORITIES INVOLVED FOR THEIR CONCURRENCE AND IMPLEMENTATION OF THE PROJECT.

THANKING YOU FOR YOUR CONTINUED COOPERATION, WE REMAIN,

YOURS SINCERELY,

(SGND)

JULIANTO MOELIODIHARDJO

DIRECTOR GENERAL FOR MONETARY AFFAIRS, MINISTRY OF FINANCE

CC: 1. INDONESIAN EMBASSY, WASHINGTON, D.C.

2. AMERICAN EMBASSY, ATTN. MR.D. COHN

3. BAPPENAS, ATTN. MR. SALEH AFFIF

4. BANK INDONESIA, ATTN. MR. J.E. ISMAEL

ATTACHMENT:

BASIC INFORMATION OF APPLICATION FOR DIESEL ELECTRIC LOCOMOTIVE.

I. COUNTRY, NAME AND ADDRESS OF THE BORROWER:

1. COUNTRY : INDONESIA

2. NAME : GOVERNMENT OF INDONESIA

3. ADDRESS: MINISTER OF FINANCE, JALAN LAPANGAN BANTENG TIMUR 4, JAKARTA

II. OWNERSHIP OF THE PROJECT AND BRIEF HISTORY:

1. OWNER : MINISTRY OF COMMUNICATIONS IS A GOVERNMENT AGENCY WHO HAS THE RESPONSIBILITY TO

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TO MANAGE THE DIESEL ELECTRIC LOCOMOTIVE PROJECT. THE ABOVE MANAGEMENT IS DONE BY THE DIRECTORATE GENRAL OF LAND TRANSPORT AND WATERWAYS.

III. FINANCING REQUIRED:

1. TOTAL PROJECT COST : US\$ 11,288,592

2. FOREIGN CURRENCY COST: US\$ 11,288,592

3. LOCAL CURRENCY COST : US\$

IV. PROJECT INFORMATION:

1. PROJECT TITLE : REHABILITATION OF TRACTION POWER

2. SCOPE OF PROJECT : 21 DIESEL ELECTRIC LOCOMOTIVES
OF 1950 HP

3. ITEM TO BE PURCHASED : PURCHASE OF DIESEL LOCOMOTIVE

4. LOCATION : JAVA

5. POTENTIAL SUPPLIER : GENERAL ELECTRIC CO.

V. ESTIMATE LOAN REQUEST:

1. EXIMBANK : 40 PERCENT X US\$ 11,288,592 EQUAL
US\$ 4,515,436.80

2. COMMERCIAL BANK : 50 PERCENT X US\$ 11,288,592 EQUALS
US\$ 5,644,296--

3. GOVERNMENT OF INDONESIA

AND OTHER : 10 PERCENT X US\$ 11,288,592 EQUALS
U.S.\$ 1,128,859.20

VI. SCHEDULE OF DISBURSEMENT: 1976- 1977

VII. COMMITMENT 1976/1977 : US\$ 11,288,592

VIII. GUARANTOR : GOVERNMENT OF INDONESIA

IX. EXIMBANK RESPONSE AND APPROVAL/ : IMMEDIATELY

2. PLEASE NOTE: THIS APPLICATION FOR FINANCING OF 21
LOCOMOTIVES CONCERNS SEPARATE SALE OVER AND ABOVE 81
LOCOMOTIVES FOR WHICH EXIM ISSUED P.C. TO G.E. ON MARCH 10,
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1976. G.E. HAS RESOLVED SHIPPING FINANCING PROBLEM
DISCUSSED REF (B) BY AGREEING ITSELF TO SUBSIDIZE INTEREST
RATE ON COMMERCIAL FINANCING FOR SHIPMENT ON INDONESIAN
BOTTOMS.

3. COMMENT: G.E.'S SINGAPORE REP INFORMS US THAT JUST
PRIOR TO DRAFTING OF ABOVE LETTER THE CANADIANS HAD
APPROACHED GOI WITH POSSIBILITY OF USING SOME OF
CANADIAN FINANCING FOR LOCOMOTIVES. THUS GOI DECISION
FINALLY MAKE FORMAL APPLICATION FOR EXIM FINANCING FOR
LOCOMOTIVES IS PARTICULARLY GRATIFYING AND PERHAPS
A HOPEFUL SIGN OF RENEWED GOI INTEREST IN USING EXIM ON
GOI PROJECTS. THUS EXPEDITIOUS EXIM PROCESSING OF THIS
LOAN APPLICATION COULD HELP ENCOURAGE SUCH RENEWED GOI
INTEREST AND THEREBY CONTRIBUTE SIGNIFICANTLY

TO FUTURE U.S. COMMERCIAL PROSPECTS IN INDONESIA.

4. SINGAPORE PLEASE PASS TO RAM SHARMA, G.E. SINGAPORE,
PHONE 335111.
NEWSOM

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SALES, LOANS, ROLLING STOCK
Control Number: n/a
Copy: SINGLE
Draft Date: 06 JUL 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Drafter: n/a
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Review Content Flags:
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Review Exemptions: n/a
Review History: RELEASED <15 APR 2004 by ThomasVJ>; APPROVED <06 AUG 2004 by schwenja>
Review Markings:

Margaret P. Grafeld
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US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EXIM LOAN APPLICATION: GOI PURCHASE OF G.E. LOCOMOTIVES
TAGS: EFIN, BEXP, ID, XMB
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006